

Health Reform – Additional Funding Support for Hospital and Related Health Services 2025-26 (New South Wales)

FEDERATION FUNDING AGREEMENT – HEALTH

Table 1: Formalities and operation of schedule																		
Parties	Commonwealth and New South Wales.																	
Duration	This Schedule is expected to expire on 15 September 2026.																	
Purpose	<p>This Schedule provides additional funding support to New South Wales in 2025-26 for public hospitals and related health services.</p> <p>This Schedule implements the one-time fixed funding arrangements for 2025-26 agreed by the Commonwealth and all states and territories in the Schedule K – Addendum to the National Health Reform Agreement¹. Through Schedule K the Commonwealth has committed \$1.7 billion in additional funding nationally to support hospital and related health services in 2025-26.</p>																	
Estimated financial contributions	<p>The Commonwealth will provide an estimated total financial contribution to New South Wales of \$407.0 million in respect of this Schedule.</p> <table><tr><th colspan="3">Table 1</th></tr><tr><th>(\$ million)</th><th>2025-26</th><th>Total</th></tr><tr><td>Estimated total budget^a</td><td>407.0</td><td>407.0</td></tr><tr><td>Less estimated National Partnership Payments</td><td>407.0</td><td>407.0</td></tr><tr><td>Balance of non-Commonwealth contributions</td><td>-</td><td>-</td></tr></table> <p>Note:</p> <p>^a The Schedule K – Addendum to the National Health Reform Agreement provides that this one-time fixed funding amount is to be considered as a top up contribution.</p>			Table 1			(\$ million)	2025-26	Total	Estimated total budget ^a	407.0	407.0	Less estimated National Partnership Payments	407.0	407.0	Balance of non-Commonwealth contributions	-	-
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Estimated total budget ^a	407.0	407.0																
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Balance of non-Commonwealth contributions	-	-																
Additional terms	<p><i>Relationship to National Health Reform Agreement</i></p> <p>This Schedule is separate from, but complements, the National Health Reform Agreement (NHRA). The one-time fixed funding amount provided by this Schedule is in addition to state entitlements under the NHRA funding model as set out in Schedule A of the NHRA.</p> <p>The NHRA provides that the Commonwealth will not fund a service where the same service, or any part of the same service, is otherwise funded by the Commonwealth. New South Wales will ensure that any</p>																	

¹ The National Health Reform Agreement (and its Addendums) is published to the Federal Financial Relations website (<https://federalfinancialrelations.gov.au/agreements/national-health-reform-agreement>).

claim for funding under the NHRA is not funding services, or any part of a service, provided for under this agreement and will maintain appropriate records.

Relationship to Medicare

The *Health Insurance Act 1973* prohibits the payment of Medicare benefits where other government funding is provided for that service. New South Wales will ensure any agreement for the provision of services using funding under this agreement recognises the operation of the *Health Insurance Act 1973*.

Reporting

New South Wales will provide performance milestone reports at the times indicated in Table 2 addressing the matters specified in Table 2 and in Attachment A (Reporting – Additional Guidance and Arrangements).

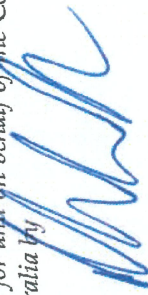
The Parties acknowledge that payments under this Schedule are subject to performance reports demonstrating the relevant performance milestones have been met, consistent with Part 4 (Performance Monitoring and Reporting) of the Federation Funding Agreement – Health; and that the final reporting milestone is relevant to the Annual Adjustment (Final Reconciliation) of the NHRA as outlined in Attachment A (Reporting – Additional Guidance and Arrangements).

Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
Hospital and related health services	Provision of an overview (forecast) of the type of public hospital and related health services (services) expected to be supported by this Schedule (including any relevant targets or outcome objectives against which performance will be measured).	01/08/2025	\$101,750,000
	Provision of a status report outlining the progress of any forecast services and any changes to the services expected to be supported by this Schedule (including any relevant targets or outcome objectives against which performance will be measured).	01/11/2025	\$101,750,000
	Provision of a status report outlining the progress of any forecast services and any changes to the services expected to be supported by this Schedule (including any relevant targets or outcome objectives against which performance will be measured).	01/02/2026	\$101,750,000
	Provision of a status report outlining the progress of any forecast services and any changes to the services being supported by this Schedule (including any relevant targets or outcome objectives against which performance will be measured).	01/05/2026	\$101,750,000
	Final reporting, including: <ul style="list-style-type: none"> • an overview of the public hospital and related health services supported by this Schedule including consideration of their impact to relevant system performance parameters (see Additional Terms); and • provision of relevant data to the Administrator of the National Health Funding Pool identifying hospital and related health services supported by this Schedule as distinct from services supported by the Commonwealth through the NHRA (see Additional Terms). 	15/09/2026	Nil

The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth
of Australia by

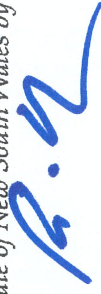


The Honourable Mark Butler MP
Minister for Health and Aged Care

[Day] [Month] 2025

19 03

Signed for and on behalf of the
State of New South Wales by



The Honourable Ryan Park MP
Minister for Health, Minister for Regional Health, and
Minister for the Illawarra and the South Coast

[Day] [Month] 2025

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